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## **CLAIMS**

What is claimed is:

1. A method for managing inventory within a supply chain, comprising:

using intelligent agents to provide forecasts of demand for items distributed within the supply chain;

using the forecasts to establish base stocking levels and reorder points within the supply chain; and

using the established base stocking levels and reorder points to position items within the supply chain so as to maximize efficiency and profitability when responding to an order for an item.

- 2. The method as recited in claim 1, further comprising the step of compiling historical demand data for use in forecasting the demand for items.
- 3. A computer readable media having instructions for managing inventory within a supply chain, the instructions performing steps comprising:

providing forecasts of demand for items distributed within the supply chain; using the forecasts to establish base stocking levels and reorder points within the supply chain; and

using the established base stocking levels and reorder points to determine positioning of items within the supply chain so as to maximize efficiency and profitability when responding to an order for an item.